

ROC-W

ANNUAL REPORT

OF

Rocky Mountain Utility Co., Inc.
NAME
Jim Bernard

3865 East 12 North Suite 1 Rigby, ID 83442
ADDRESS

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IDAHO PUBLIC
UTILITIES COMMISSION

TO THE

IDAHO PUBLIC

UTILITIES COMMISSION

FOR THE

YEAR ENDED 2014

ANNUAL REPORT FOR WATER UTILITIES TO
THE IDAHO PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING 2014

COMPANY INFORMATION

- 1 Give full name of utility Rocky Mountain Utility Company, Inc.
 Telephone Area Code (208)
 Telephone 745-6443
 E-mail address anjanette.garner@gmail.com
- 2 Date of Organization _____
- 3 Organized under the laws of the state of Idaho
- 4 Address of Principal Office (number & street) 3865 E. 12. N. Ste 1
- 5 P.O. Box (if applicable) _____
- 6 City Rigby
- 7 State Idaho
- 8 Zip Code 83442
- 9 Organization (proprietor, partnership, corp.) _____
- 10 Towns, Counties served Rigby, Jefferson County
- 11 Are there any affiliated companies? No

If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

12 Contact Information	Name	Phone No.
President (Owner)	<u>Jim Bernard</u>	<u>745-6443</u>
Vice President	<u>Melissa Bernard</u>	<u>745-6443</u>
Secretary		
General Manager	<u>Brandi Hayes</u>	<u>745-6443</u>
Complaints or Billing	<u>Anjanette Garner</u>	<u>745-6443</u>
Engineering	<u>Aspen Engineering</u>	<u>542-1911</u>
Emergency Service	<u>Silver Creek Construction</u>	<u>745-7099</u>
Accounting	<u>Shawn Poulsen</u>	<u>522-1330</u>

- 13 Were any water systems acquired during the year or any additions/deletions made to the service area during the year? No
- If yes, attach a list with names, addresses & descriptions. Explain any services provided to the utility.

- 14 Where are the Company's books and records kept?
- Street Address 3865 E. 12. N. Ste 1
- City Rigby
- State Idaho
- Zip 83442

NAME: Rocky Mountain Utility Company, Inc.

COMPANY INFORMATION (Cont.)

For the Year Ended 2014

15 Is the system operated or maintained under a service contract? No

16 **If yes:** With whom is the contract? _____
When does the contract expire? _____
What services and rates are included? _____

17 Is water purchased for resale through the system? No

18 **If yes:** Name of Organization _____
Name of owner or operator _____
Mailing Address _____
City _____
State _____
Zip _____

Gallons/CCF \$Amount

Water Purchased

N/A | —

19 Has any system(s) been disapproved by the Idaho Division of Environmental Quality? No

If yes, attach full explanation

20 Has the Idaho Division of Environmental Quality recommended any improvements? See attached

If yes, attach full explanation

21 Number of Complaints received during year concerning:
Quality of Service 0
High Bills 0
Disconnection 0

22 Number of Customers involuntarily disconnected 2

23 Date customers last received a copy of the Summary of Rules required by IDAPA 31.21.01.701? 02/01/2015

Attach a copy of the Summary

24 Did significant additions or retirements from the Plant Accounts occur during the year? No

If yes, attach full explanation and an updated system map

NAME: Rocky Mountain Utility Company, Inc.

REVENUE & EXPENSE DETAIL

For the Year Ended 2014

ACCT #	DESCRIPTION		
400 REVENUES			
1	460	Unmetered Water Revenue	<u>45,149</u>
2	461.1	Metered Sales - Residential	_____
3	461.2	Metered Sales - Commercial, Industrial	_____
4	462	Fire Protection Revenue	_____
5	464	Other Water Sales Revenue	_____
6	465	Irrigation Sales Revenue	_____
7	466	Sales for Resale	_____
8	400	Total Revenue (Add Lines 1 - 7) (also enter result on Page 4, line 1)	<u>45,149</u>
9	* DEQ Fees Billed separately to customers		Booked to Acct # _____
10	** Hookup or Connection Fees Collected		Booked to Acct # _____
11	***Commission Approved Surcharges Collected		Booked to Acct # _____
401 OPERATING EXPENSES			
12	601.1-6	Labor - Operation & Maintenance	<u>18,965</u>
13	601.7	Labor - Customer Accounts	_____
14	601.8	Labor - Administrative & General	_____
15	603	Salaries, Officers & Directors	_____
16	604	Employee Pensions & Benefits	_____
17	610	Purchased Water	_____
18	615-16	Purchased Power & Fuel for Power	<u>7,848</u>
19	618	Chemicals	_____
20	620.1-6	Materials & Supplies - Operation & Maint.	<u>2079</u>
21	620.7-8	Materials & Supplies - Administrative & General	<u>1090</u>
22	631-34	Contract Services - Professional	<u>345</u>
23	635	Contract Services - Water Testing	<u>2,181</u>
24	636	Contract Services - Other	_____
25	641-42	Rentals - Property & Equipment	_____
26	650	Transportation Expense	_____
27	656-59	Insurance	<u>250</u>
28	660	Advertising	_____
29	666	Rate Case Expense (Amortization)	_____
30	667	Regulatory Comm. Exp. (Other except taxes)	_____
31	670	Bad Debt Expense	_____
32	675	Miscellaneous	<u>513</u>
33	Total Operating Expenses (Add lines 12 - 32, also enter on Pg 4, line 2)		<u>34,019</u>

Name: Rocky Mountains Utility Company, Inc.

INCOME STATEMENT

For Year Ended 2014

ACCT #	DESCRIPTION		
1	Revenue (From Page 3, line 8)		<u>45,149</u>
2	Operating Expenses (From Page 3, line 33)	<u>34,019</u>	
3	403 Depreciation Expense	<u>2,260</u>	
4	406 Amortization, Utility Plant Aquisition Adj.		
5	407 Amortization Exp. - Other		
6	408.10 Regulatory Fees (PUC)		
7	408.11 Property Taxes		
8	408.12 Payroll Taxes		
9A	408.13 Other Taxes (list) DEQ Fees		
9B			
9C			
9D			
10	409.10 Federal Income Taxes		
11	409.11 State Income Taxes		
12	410.10 Provision for Deferred Income Tax - Federal		
13	410.11 Provision for Deferred Income Tax - State	<u>20</u>	
14	411 Provision for Deferred Utility Income Tax Credits		
15	412 Investment Tax Credits - Utility		
16	Total Expenses from operations before interest (add lines 2-15)		<u>36,299</u>
17	413 Income From Utility Plant Leased to Others		
18	414 Gains (Losses) From Disposition of Utility Plant		
19	Net Operating Income (Add lines 1, 17 & 18 less line 16)		<u>8,850</u>
20	415 Revenues, Merchandizing Jobbing and Contract Work		
21	416 Expenses, Merchandizing, Jobbing & Contracts		
22	419 Interest & Dividend Income		
23	420 Allowance for Funds used During Construction		
24	421 Miscellaneous Non-Utility Income		
25	426 Miscellaneous Non-Utility Expense		
26	408.20 Other Taxes, Non-Utility Operations		
27	409-20 Income Taxes, Non-Utility Operations		
28	Net Non-Utility Income (Add lines 20,22,23 & 24 less lines 21,25,26, & 27)		<u>0</u>
29	Gross Income (add lines 19 & 28)		<u>8,850</u>
30	427.3 Interest Exp. on Long-Term Debt		
31	427.5 Other Interest Charges		
32	NET INCOME (Line 29 less lines 30 & 31) (Also Enter on Pg 9, Line 2)		<u><u>8,850</u></u>

Name: Rocky Mountain Utility Company, Inc.

ACCOUNT 101 PLANT IN SERVICE DETAIL
For Year Ended 2014

SUB ACCT #	DESCRIPTION	Balance Beginning of Year	Added During Year	Removed During Year	Balance End of Year
1 301	Organization				
2 302	Franchises and Consents				
3 303	Land & Land Rights				
4 304	Structures and Improvements				
5 305	Collecting & Impounding Reservoirs				
6 306	Lake, River & Other Intakes				
7 307	Wells				
8 308	Infiltration Galleries & Tunnels				
9 309	Supply Mains				
10 310	Power Generation Equipment				
11 311	Power Pumping Equipment				
12 320	Purification Systems	12,919			12,919
13 330	Distribution Reservoirs & Standpipes				
14 331	Trans. & Distrib. Mains & Accessories				
15 333	Services				
16 334	Meters and Meter Installations				
17 335	Hydrants				
18 336	Backflow Prevention Devices				
19 339	Other Plant & Misc. Equipment				
20 340	Office Furniture and Equipment				
21 341	Transportation Equipment				
22 342	Stores Equipment				
23 343	Tools, Shop and Garage Equipment				
24 344	Laboratory Equipment				
25 345	Power Operated Equipment				
26 346	Communications Equipment				
27 347	Miscellaneous Equipment				
28 348	Other Tangible Property				
29	TOTAL PLANT IN SERVICE (Add lines 1 - 28)	12,919			12,919

Enter beginning & end of year totals on Pg 7, Line 1

Name: Rocky Mountain Utility Company, Inc.

ACCUMULATED DEPRECIATION ACCOUNT 108.1 DETAIL

For Year Ended 2014

SUB ACCT #	DESCRIPTION	Depreciation Rate %	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1 304	Structures and Improvements				
2 305	Collecting & Impounding Reservoirs				
3 306	Lake, River & Other Intakes				
4 307	Wells				
5 308	Infiltration Galleries & Tunnels				
6 309	Supply Mains				
7 310	Power Generation Equipment				
8 311	Power Pumping Equipment	17.49%	\$,010	7,270	2,260
9 320	Purification Systems				
10 330	Distribution Reservoirs & Standpipes				
11 331	Trans. & Distrib. Mains & Accessories				
12 333	Services				
13 334	Meters and Meter Installations				
14 335	Hydrants				
15 336	Backflow Prevention Devices				
16 339	Other Plant & Misc. Equipment				
17 340	Office Furniture and Equipment				
18 341	Transportation Equipment				
19 342	Stores Equipment				
20 343	Tools, Shop and Garage Equipment				
21 344	Laboratory Equipment				
22 345	Power Operated Equipment				
23 346	Communications Equipment				
24 347	Miscellaneous Equipment				
25 348	Other Tangible Property				
26	TOTALS (Add Lines 1 - 25)		\$5,010	\$7,270	\$2,260

Enter beginning & end of year totals on Pg 7, Line 7

Name: Rocky Mountain Utility Company, Inc.

BALANCE SHEET

For Year Ended 2014

ASSETS		Balance	Balance	Increase
ACCT #	DESCRIPTION	Beginning of Year	End of Year	or (Decrease)
1 101	Utility Plant in Service (From Pg 5, Line 29)	012,919	12,919	
2 102	Utility Plant Leased to Others			
3 103	Plant Held for Future Use			
4 105	Construction Work in Progress			
5 114	Utility Plant Aquisition Adjustment			
6	Subtotal (Add Lines 1 - 5)	12,919	12,919	
7 108.1	Accumulated Depreciation (From Pg 6, Line 26)	5,010	7,270	2,260
8 108.2	Accum. Depr. - Utility Plant Lease to Others			
9 108.3	Accum. Depr. - Property Held for Future Use			
10 110.1	Accum. Amort. - Utility Plant in Service			
11 110.2	Accum. Amort. - Utility Plant Lease to Others			
12 115	Accumulated Amortization - Aquisition Adj.			
13	Net Utility Plant (Line 6 less lines 7 - 12)	7,909	5,649	(2,260)
14 123	Investment in Subsidiaries			
15 125	Other Investments			
16	Total Investments (Add lines 14 & 15)			
17 131	Cash	13,997	27,452	13,455
18 135	Short Term Investments			
19 141	Accts/Notes Receivable - Customers	1,551	2,269	718
20 142	Other Receivables			
21 145	Receivables from Associated Companies			
22 151	Materials & Supplies Inventory			
23 162	Prepaid Expenses			
24 173	Unbilled (Accrued) Utility Revenue			
25 143	Provision for Uncollectable Accounts			
26	Total Current (Add lines 17 -24 less line 25)	15,548	29,721	14,173
27 181	Unamortized Debt Discount & Expense			
28 183	Preliminary Survey & Investigation Charges			
29 184	Deferred Rate Case Expenses			
30 186	Other Deferred Charges			
31	Total Assets (Add lines 13, 16 & 26 - 30)	28,457	35,370	11,913

Name: Rocky Mountain Utility Company, Inc.

BALANCE SHEET

For Year Ended 2014

LIABILITIES & CAPITAL

ACCT #	DESCRIPTION	Balance Beginning of Year	Balance End of Year	Increase or (Decrease)
1	201-3 Common Stock	100	100	0
2	204-6 Preferred Stock			
3	207-13 Miscellaneous Capital Accounts			
4	214 Appropriated Retained Earnings			
5	215 Unappropriated Retained Earnings	14,755	23,605	8,850
6	216 Reacquired Capital Stock			
7	218 Proprietary Capital			
8	Total Equity Capital (Add Lines 1-5+7 less line 6)	14,855	23,705	8,850
9	221-2 Bonds			
10	223 Advances from Associated Companies			
11	224 Other Long - Term Debt			
12	231 Accounts Payable	8,602	11,665	3,063
13	232 Notes Payable			
14	233 Accounts Payable - Associated Companies			
15	235 Customer Deposits (Refundable)			
16	236.11 Accrued Other Taxes Payable			
17	236.12 Accrued Income Taxes Payable			
18	236.2 Accrued Taxes - Non-Utility			
19	237-40 Accrued Debt, Interest & Dividends Payable			
20	241 Misc. Current & Accrued Liabilities			
21	251 Unamortized Debt Premium			
22	252 Advances for Construction			
23	253 Other Deferred Liabilities			
24	255.1 Accumulated Investment Tax Credits - Utility			
25	255.2 Accum. Investment Tax Credits - Non-Utility			
26	261-5 Operating Reserves			
27	271 Contributions in Aid of Construction			
28	272 Accum. Amort. of Contrib. in Aid of Const. **			
29	281-3 Accumulated Deferred Income Taxes			
30	Total Liabilities (Add lines 9 - 29)	8,602	11,665	3,063
31	TOTAL LIAB & CAPITAL (Add lines 8 & 30)	23,457	35,370	11,913

** Only if Commission Approved

Name: Rocky Mountain Utility Company, Inc.

SYSTEM ENGINEERING DATA

(continued)

For Year Ended 2014

4 Pump information for ALL system pumps, including wells and boosters.

Designation or Location & Type of Pump**	Horse Power	Rated Capacity (gpm)	Discharge Pressure (psi)	Energy Used This Year
<u>ID 2260030</u>	<u>40</u>	<u>800</u>	<u>60</u>	<u>97,178</u>

** Submit pump curves unless previously provided or unavailable. Asterisk facilities added this year. Attach additional sheets if inadequate space is available on this page.

5 If Wells are metered:
 What was the total amount pumped this year? _____
 What was the total amount pumped during peak month? _____
 What was the total amount pumped on the peak day? _____

Not Metered

6 If customers are metered, what was the total amount sold in peak month? _____

7 Was your system designed to supply fire flows?
If Yes: What is current system rating? _____

8 How many times were meters read this year? _____
 During which months? _____

9 How many additional customers could be served with no system improvements
 except a service line and meter? 17
 How many of those potential additions are vacant lots? 17

10 Are backbone plant additions anticipated during the coming year?
If Yes, attach an explanation of projects and anticipated costs! _____

11 In what year do you anticipate that the system capacity (supply, storage or distribution)
 will have to be expanded? 2018

Name: Rocky Mountain Utility Company, Inc.

SYSTEM ENGINEERING DATA
(continued)

For Year Ended 2014

FEET OF MAINS

1	Pipe Size	In Use Beginning Of Year	Installed During Year	Abandoned During Year	In Use End of Year
	12 in.	1996	—	—	2014

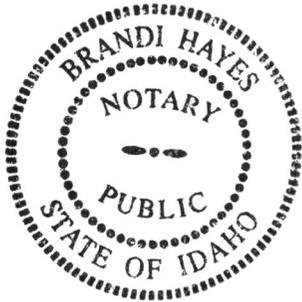
CUSTOMER STATISTICS

	Number of Customers		Thousands of Gallons Sold	
	This Year	Last Year	This Year	Last Year
2 Metered:				
2A Residential				
2B Commercial	N/A			
2C Industrial				
3 Flat Rate:				
3A Residential	91			
3B Commercial	4			
3C Industrial				
4 Private Fire Protection				
5 Public Fire Protection				
6 Street Sprinkling				
7 Municipal, Other				
8 Other Water Utilities				
TOTALS (Add lines 2 through 8)	95			

CERTIFICATE

State of Idaho)
) ss
County of _____)

WE, the undersigned Jim & Melissa Zeman
and Brandi Hayes
of the Rodney Mountain
utility, on our oath do severally say that the foregoing report has been prepared under our direction,
from the original books, papers and records of said utility; that we have carefully examined same, and
declare the same to be a correct statement of the business and affairs of said utility for the period
covered by the report in respect to each and every matter and thing therein set forth, to the best of our
knowledge, information and belief.



[Signature]
(Chief Officer)
[Signature]
(Officer in Charge of Accounts)

Subscribed and Sworn to Before Me

this 24 day of March, 2015

[Signature]
NOTARY PUBLIC

My Commission Expires Aug. 2018

gdk/excel/jnelson/anulrpts/wtrannualrpt



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

900 North Skyline Dr., Suite B • Idaho Falls, Idaho 83402 • (208) 528-2650

C.L. "Butch" Otter, Governor
Curt Fransen, Director

July 9, 2013

Brandi Hayes
3865 E. 12 N. Suite 1
Rigby, ID 83442

RE: Response to Corrective Action Plan Addressing Sanitary Survey Significant Deficiency
Identified During March 29, 2013 Sanitary Survey of Pepperwood Crossing PWS# 7260080

Dear Brandi:

Your E-Mail that you sent me on July 3, 2013 identifying the corrective action and completion date in addressing the significant deficiency identified during March 29, 2013 sanitary survey of the Pepperwood Crossing water system, has been reviewed by the Department. According to the 2013 sanitary survey, the Pepperwood water system consists of (1) well that serves (92) connections and (336) customers. If the well is out of service the water system cannot maintain normal operating conditions in providing a reliable delivery of safe drinking water, and therefore is deemed a "Significant Deficiency".

Idaho Rules for Public Drinking Water Systems IDAPA 58.01.08.513. and Subsection 501.17. states that community water systems served by ground water shall have a minimum of two (2) sources if they are intended to serve more that twenty-five (25) connections or equivalent dwelling units (see enclosures).

Your corrective action plan as you stated in your E-Mail, "a second well source is designed in Phase 3 and 4 approved by Jefferson County but not yet developed. **PHASE OF DEVELOPMENT TO BEGIN IN 2015. COMPLETED BY OCTOBER 1, 2015.** The proposed solution until build-out is completed the installation of back up electrical generator and purchase of secondary pump to have on hold in case of failure. **PUMP PURCHASED ALREADY. BACK UP GENERATOR TO BE INSTALLED BY OCTOBER 1, 2013**".

The Department accepts this corrective action provided the following:

1. The well must be constructed and operational by **Oct. 15, 2015.**
2. Pepperwood must submit engineering plans and specs to the Department by **March 29, 2015.**

Please be advised the Pepperwood water system is considered "out of compliance" with IDAPA 58.01.08. 513. and 501.17 until such time a second source is developed.

Please contact me or Greg Eager at 528-2650 if you have questions or concerns regarding this letter.

Sincerely,

A handwritten signature in cursive script that reads "Rochelle Mason".

Rochelle Mason
Drinking Water Analyst, IFDEQ

Encl: IDAPA Rules

C: Greg Eager, P.E. Regional Engineering Manager, IFDEQ
Jim Bernard, Owner, 3865 E. 12 N. Suite 1, Rigby, ID 83442

TRIM: WQ DW Compliance Document/ 2013 Significant Deficiency/PWS# 7260080

7012ArA2706

Idaho Statutes

TITLE 61 PUBLIC UTILITY REGULATION CHAPTER 4

REPORTS BY PUBLIC UTILITIES

61-405. ANNUAL REPORT. Every public utility shall file an annual report with the commission, verified by the oath of an officer thereof. The verification shall be to the best of said official's knowledge, information and belief. The commission shall prescribe the form of such report and the character of the information to be contained therein, and may from time to time make such changes and such additions in regard to the form and contents thereof as it may deem proper, and on or before January first in each year shall furnish a blank form for such annual reports to every public utility. The contents of such reports and the form thereof shall conform, as nearly as may be, in the case of public utility subject to an act of congress, entitled "An act to regulate commerce," approved February 4, 1887, and the acts amendatory thereof and supplementary thereto, to that required by the interstate commerce commission; and the commission may also require the report to contain such additional information as is reasonably practicable for the public utility to furnish in relation to rates or regulations concerning fares, rates, agreements or contracts affecting the same, so far as such rates or regulations pertain to transportation within this state. In case it is unable to give such information, it shall give a good and sufficient reason for such failure. When the report of such corporation is defective, or believed to be erroneous, the commission shall notify the corporation or person to amend the same within the time prescribed by the commission. The originals of the reports subscribed to and sworn to as prescribed by law, shall be filed on or before the fifteenth day of April in each year and preserved in the office of the commission. The commission may extend the time for making and filing such report for a period not exceeding sixty (60) days.

Provided, that the commission may in its discretion, prescribe an abbreviated or modified form for such annual report, to be used by persons or corporations who operate or control any plant or system for distributing electric current but who do not generate such current, or by persons or corporations who operate on a small scale or serve a small community of persons.

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